

Washington, DC -- During yesterday's meeting of the Economic Development, Public Buildings, and Emergency Management subcommittee, U.S. Representative Michael Arcuri (D-Utica) listened to experts give testimony on the state of economic development in the nation.

"Economic development is crucial for Upstate New York and in order to achieve real growth we have to utilize public/private partnerships at all levels of government," said Arcuri. "We need to have a local Economic Development Representative in place to work with local communities to ensure that resources are channeled to our communities and will have the most economic impact."

The subcommittee met to hear testimony from experts regarding the history of federal economic development programs, the role of the Federal Government in economic development, and ideas for future development initiatives. The subcommittee's goal is to strengthen state, federal, and local level partnerships for localized economic development.

A copy of Arcuri's opening remarks is attached below:

U.S. Rep. Michael A. Arcuri (NY-24)

**Subcommittee on Economic Development, Public Buildings,
and Emergency Management Hearing: "The State of Economic Development"**

Opening Remarks

January 23, 2007

Thank you, Madame Chair. I would first like to congratulate you on becoming the new Chair of this Subcommittee I am excited to be serving under your leadership.

I also want to express my sincere interest in working with all of my colleagues – on both sides of the aisle – to carry out the policy goals our Subcommittee has set forth for the 110th Congress.

Specifically, I look forward to addressing: recapitalization of EDA Revolving Loan Funds; increasing the number of Economic Development Representatives; and making sure that we maintain the current EDA regional offices structure.

The number of Revolving Loan Fund (RLF) projects the EDA has provided funding for or recapitalized has significantly declined since Fiscal Year 1998 and even more so since the last reauthorization in 2004. On average, RLF investments amounted to about 10 to 12 projects per year, but in Fiscal Year 2004 were down to about 1. It is critical that EDA invest in new RLF projects in order to better assist growing communities all across America with their economic development needs.

The number of Economic Development Representatives (EDR) has also declined significantly. My district no longer has one in place for our local economic development commissions to solicit when advice is needed. These representatives play a key role in providing guidance and technical support to our local economic development commissions on crafting Comprehensive Economic Development Strategies (CEDS) that have the chance to be considered as viable proposals when reviewed at the Regional office.

And finally, maintaining the Regional office structure, which includes an office in Philadelphia, is critical to expediting the process of awarding funds for proposals that come from not only my district and state, but from many other states across the country.

Thank you, Madame Chair for holding this hearing today. Again, I look forward to addressing

these and the many other pressing issues facing our communities as they attempt to rebuild and, hopefully, rejoice in economic success.

I yield back the balance of my time.

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